



How Shays-Meehan Violates the Bush Principles

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In March 2001, President Bush outlined six key principles that should be incorporated into any campaign finance reform bill that Congress passed. Below are indications of how the Shays-Meehan bill would violate all six of the Bush principles.

Bush Principle: “Protect Rights of Individuals to Participate in Democracy.”

Specifically, President Bush called for updating individual contribution limits and for protecting the rights of citizen groups to engage in issue advocacy.

Shays-Meehan Violation: Shays-Meehan would raise the individual contribution limit for House and Senate candidates from \$1000 to \$2000 per candidate per election (subsequently indexed for inflation). But if the current-law \$1000 limit established in 1974 were actually adjusted for inflation, it would be \$3661 today. The bill’s new contribution limit of \$2000 would have been a full adjustment for inflation in the year 1982. Subsequent adjustments for inflation would be based on the \$1000 limit in 2003—not in 1974. This insufficient adjustment would continue to force candidates to spend more time fundraising and less time conducting official business and interacting with constituents.

Moreover, the Shays-Meehan bill would trigger campaign law for broadcast, cable, or satellite advertisements that *refer* to a clearly identified candidate within 60 days of a general election and 30 days of a primary and that reach an audience that includes voters in that election. This would curtail issue advocacy by citizen groups, since publicizing a message about a public official or person seeking public office would be subject to government scrutiny and regulatory limits.

Bush Principle: “Maintain Strong Political Parties.” Specifically, President Bush called for helping political parties more fully engage citizens in the political process.

Shays-Meehan Violation: Shays-Meehan would *hamper* political parties in numerous ways. “Soft money” could *not* be solicited, received, directed, transferred, or spent by national political parties for “federal election activities” (the definition of which would be vastly expanded to include public communications that simply refer to candidates, voter registration drives four months before an election, and other civic and

party-building activities). These provisions as written could only serve to weaken political parties.

Additionally, Shays-Meehan would prevent parties from raising money for or donating money to citizen groups that make federal-election-related disbursements, thereby weakening parties' abilities to interact with citizen activists. Further, the bill would prohibit parties from making independent or coordinated expenditures for general election candidates, decimating one of the core reasons for parties to exist—to help elect candidates to office.

Bush Principle: **“Ban Union and Corporate Soft Money.”**

Shays-Meehan Violation: Though Shays-Meehan would ban union and corporate soft money to the handful of national parties, it would carve out a \$10,000 per-person, per-year soft money loophole for state and local parties. With thousands of state and local parties currently in existence, and with thousands of potential corporate and union donors to each give \$10,000 to each of these thousands of party committees, it is clear that Shays-Meehan does not even come close to banning union and corporate soft money.

Bush Principle: **“Eliminate Involuntary Contributions.”** Specifically, President Bush called for prohibiting corporations from using treasury funds for political activity without the permission of shareholders and for requiring labor unions to obtain authorization from every dues-paying worker before spending dues on activities unrelated to collective bargaining.

Shays-Meehan Violation: Shays-Meehan does not address and therefore would not eliminate involuntary contributions.

Bush Principle: **“Require Full and Prompt Disclosure.”** Specifically, President Bush called for prompt and constitutionally permissible disclosure of contributions and expenditures designed to influence the outcome of federal elections.

Shays-Meehan Violation: Shays-Meehan would essentially maintain current campaign disclosure law. However, by widening the definitions of key terms like “federal election activity” and “electioneering communications,” the bill would expand what would be required to be disclosed. Under these new definitions, certain contributions and expenditures which do not expressly advocate for the election or defeat of a candidate would still be subject to federal disclosure regulations. That is, in reference to the Bush principle, certain citizen expenditures NOT designed to influence the outcome of federal elections would be subject to federal disclosure regulations and would thus be discouraged from ever happening.

Bush Principle: **“Promote Fair, Balanced, Constitutional Approach.”** Specifically, President Bush called for the inclusion of a *non-severability* provision, so if any provision of the bill is found unconstitutional, the entire bill would be sent back to Congress for adjustment.

Shays-Meehan Violation: Shays-Meehan contains a *severability* provision—the exact opposite of what President Bush requested. That is, if any provision in this bill were to be found unconstitutional, the remaining portions of the bill would still be in force.

Several provisions in Shays-Meehan contradict previous Supreme Court rulings. For example, the Court has ruled in *Buckley v. Valeo* that only express advocacy (i.e. explicit words or activities calling for the election or defeat of a clearly identified federal candidate) triggers federal campaign law. However, the Shays-Meehan legislation would trigger federal campaign law for *issue* advocacy or even for *referring* to a candidate in any context in a public communication within 60 days of a general election or 30 days of a primary.

Not one of President Bush’s six reform principles, as indicated above, is incorporated into Shays-Meehan.

To read the actual text of President Bush’s reform principles, go to this website:
<http://www.whitehouse.gov/news/releases/2001/03/20010315-7.html>

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